



City of Omaha  
Jean Stothert, Mayor

## Planning Department

Omaha/Douglas Civic Center  
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Omaha, Nebraska 68183  
(402) 444-5150  
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David K. Fanslau  
Director

May 10, 2022

Honorable President

and Members of the City Council,

The attached Resolution approves the designation of a (CRA) Community Redevelopment Area within the City of Omaha, with general boundaries as follows:

<b>NORTH</b>	I-80 between South 13 <sup>th</sup> and South 24 <sup>th</sup> Streets;
<b>EAST</b>	South 13 <sup>th</sup> Street between I-80 and Spring Lake Drive;
<b>SOUTH</b>	F Street between South 24 <sup>th</sup> Street and Spring Lake Drive, and Spring Lake Drive between F Street and South 13 <sup>th</sup> Street;
<b>WEST</b>	South 24 <sup>th</sup> Street between I-80 and F Street.

The precise boundaries of the study area are shown on Map A, which is part of the analysis and study report labelled Exhibit 1. The area is comprised of Block Groups 1 and 2 of Census Tract 25.

A Community Redevelopment Area (CRA) is one that satisfies the requirements of blighted and substandard conditions of an area in need of redevelopment as contemplated by Nebraska's Community Development Law. A study of the proposed boundaries referenced above for the CRA was conducted by the City of Omaha Planning Department. This study area displays the following conditions which qualify the area to be designated a CRA under the Nebraska Community Development Law:

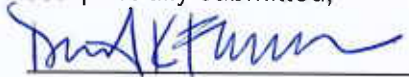



- Poorly defined street layout
- Older infrastructure in poor condition
- Obsolescence of structures-buildings having a median age of more than 81 years, exceeding the threshold of a 40 year average age, and having overall building conditions that are generally below city wide average conditions.
- Having an overall average per capita income of approximately \$19,271 which is lower than the overall City per capita income of \$33,401.

It is our assessment that conditions in the area comply with the requirement of State Law and warrant the CRA Designation. The approval of a CRA is the first step toward the use of Tax Increment Financing (TIF). This designation will allow for the use of TIF to assist with the costs of future redevelopment.

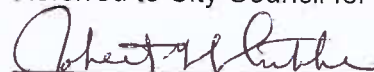
The Planning Board approved the designation of the proposed study area as a community redevelopment area at the April 6, 2021 public hearing

Your favorable consideration of this Resolution will be appreciated.

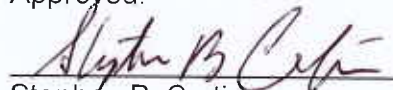

Respectfully submitted,


 4.18.2022  
David K. Fanslau  Date  
Planning Director   


Referred to City Council for Consideration:

 4-21-22  
Robert G. Stubbe, P.E. Date  
Public Works Director

Approved:

 4/19/22  
Stephen B. Curtiss Date  
Finance Director 

 4/21/22  
Mayor's Office Date

3233 nsp

Notice of Publication and Public Hearing: May 12, 2022 and May 19, 2022

Public Hearing: June 7, 2022

Publication Date (if applicable): \_\_\_\_\_

Agenda Date: \_\_\_\_\_

Department: \_\_\_\_\_

Submitter: \_\_\_\_\_

# **CITY OF OMAHA**

## **LEGISLATIVE CHAMBER**

**Omaha, Nebraska**

RESOLVED BY THE CITY COUNCIL OF THE CITY OF OMAHA:

WHEREAS, the primary objectives of the City of Omaha's Master Plan and Community Development Program are to encourage additional private investment and infill development within inner city neighborhoods; and to eliminate the conditions which are detrimental to the public health, safety and welfare by developing vacant, underutilized property within these neighborhoods; and,

WHEREAS, Nebraska State Statute Section 18-2109 requires that before any redevelopment plan be prepared, the City Council must declare that the proposed redevelopment area, hereinafter called a community development area (CRA), meets the standards established by Nebraska's Community Development Law as being a substandard and blighted area in need of redevelopment; and,

WHEREAS, the study of an approximately 248.9 acre South Omaha Spring Lake area comprised of Census Block Groups 2 and 3 of Census Tract 25, which has boundaries generally described as: NORTH: I-80 between South 13<sup>th</sup> and South 24<sup>th</sup> Streets; EAST: South 13<sup>th</sup> Street between I-80 and Spring Lake Drive; SOUTH: F Street between South 24<sup>th</sup> Street and Spring Lake Drive, and Spring Lake Drive between F Street and South 13<sup>th</sup> Street; WEST: South 24<sup>th</sup> Street between I-80 and F Street as shown on Exhibit "I", attached hereto and made a part hereof; and,

WHEREAS, the proposed approximately 248.9 acre study area, also known as the South Omaha Spring Lake CRA, as shown on "Map A", attached hereto and made a part thereof, meets the conditions of both blighted and substandard as defined by State Statute 18-2103 pursuant to the analysis included in Exhibit "I" attached hereto and made a part hereof; and,

WHEREAS, the study area is within the corporate limits of the City of Omaha and will be designated a community redevelopment area upon the City Council approval; and,

WHEREAS, this analysis and designation shall supplement and not supplant the areas already declared blighted and substandard within the study area; and,

WHEREAS, at its public hearing on April 6, 2022, the City of Omaha Planning Board approved the request that the South Omaha Spring Lake CRA designation be designated a community redevelopment area; and,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OMAHA:

THAT, the South Omaha Spring Lake CRA located within Census Block Group 2 and 3 located within Census Tract 25, consisting of approximately 248.9 acres, and generally bound on the NORTH: I-80 between South 13<sup>th</sup> and South 24<sup>th</sup> Streets; EAST: South 13<sup>th</sup> Street between I-80 and Spring Lake Drive; SOUTH: F Street between South 24<sup>th</sup> Street and Spring Lake Drive, and Spring Lake Drive between F Street and South 13<sup>th</sup> Street; WEST: South 24<sup>th</sup> Street between I-80 and F Street as shown in "Map A", is hereby declared to meet the standards of a substandard and blighted area in need of redevelopment in compliance with the requirements of Nebraska Community Development Law and is hereby designated as a community redevelopment area.

3085 nsp

APPROVED AS TO FORM:

  
ASST. CITY ATTORNEY

4/18/2022  
DATE

Adopted: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved: \_\_\_\_\_  
Mayor



## Community Redevelopment Area (CRA) Designation

### South Omaha Spring Lake CRA

This analysis first defines a study area based on US Census geography, then examines the demographic data specified in the State of Nebraska's Community Development Law as the criteria for determining an area's eligibility for designation as a Community Redevelopment Area (CRA). The overall condition of the built environment within the study area is also examined for determining eligibility for a CRA designation. The built environment is comprised of buildings, structures and public infrastructure. The purpose of this analysis is to determine whether the area qualifies for formal designation as a CRA and to establish boundaries that are consistent with the law.

When it is determined that the entirety of a study area meets the criteria for CRA designation, additional factors are evaluated to determine whether designation should encompass the entire area or if a more limited portion of it should be designated. Existing land uses, zoning designations, and the City's future land use plan are factors that help determine which portions of the study area, if any, warrant designation, as these influence the potential for future redevelopment projects.

The analysis in this report relies on U.S. Census Bureau data at both the Census Tract level and the Block Group level. Census data for the larger Census Tract level area is initially examined, then Block Group level data are evaluated. The broader study area examined in this report is comprised of Census Tract 25. Further analysis examined the smaller, more targeted area comprised of Census Block Groups 2 and 3 within Census Tract 25.

The data and analysis that follows in the remainder of this report establish that the entire area of Census Tract 25 meets the criteria for CRA designation of the Nebraska Community Development Law. Further analysis of the smaller area comprised of Census Block Groups 2 and 3 was reaffirms that the smaller area is eligible for the designation.

The study area boundaries follow Census geography. They are irregular and the written description, below, is generalized. However, the boundaries of the area recommended for CRA designation are specifically illustrated on Map A:

<b>NORTH</b>	I-80 between South 13 <sup>th</sup> and South 24 <sup>th</sup> Streets;
<b>EAST</b>	South 13 <sup>th</sup> Street between I-80 and Spring Lake Drive;
<b>SOUTH</b>	F Street between South 24 <sup>th</sup> Street and Spring Lake Drive, and Spring Lake Drive between F Street and South 13 <sup>th</sup> Street;
<b>WEST</b>	South 24 <sup>th</sup> Street between I-80 and F Street.

The study area is largely comprised of older single family residential properties. The nine hole Spring Lake Golf course and the adjoining Spring Lake Park occupy a large part of the study area, and are located in the middle of the study area. The Henry Doorly Zoo abuts the east boundary of the area proposed for CRA designation. Development constraints affecting the area include some very steep grades, and the presence of Interstate Highway 80 along the north edge of the area. There are some vacant properties that may serve as multifamily residential infill

redevelopment opportunities. The infrastructure is relatively old compared to the City overall. Street paving is in poor condition in many locations and many streets have substandard lane widths, poor storm drainage, and a lack of sidewalks. The challenging topography and the aging infrastructure would require additional infrastructure improvements to facilitate redevelopment projects. The costs of improved infrastructure could be offset by use of the TIF program.

### **Nebraska Community Development Law**

Section 18-2103 of Nebraska Community Development Law establishes specific criteria for local governments to examine when considering an area for formal designation as a CRA. The purpose of this evaluation is to identify and compare the characteristics of the study area to the established criteria and thereby determine whether such designation is appropriate. If the area is deemed qualified and eligible for the designation, the governing body – in this case the City of Omaha – may declare the area to be a CRA, enabling the City to seek the remedies established by law. A formal declaration of the substandard and blighted conditions allows the creation of an area redevelopment plan for the designated area. The area redevelopment plan describes the existing conditions of the area and identifies the redevelopment activities that will be undertaken to reduce or eliminate the deteriorating conditions within the area. The following written analysis establishes that there are conditions within a portion of the study area that meet the state law requirements. The boundaries of that area are defined in this study, and the area recommended for CRA designation can properly and legitimately be established as a CRA by the Omaha City Council.

#### **Land Use**

The area recommended for CRA designation consists of 596 parcels. The entire study area is about 248.86 acres in size, including the street rights of way. Residential is the largest category of land use in the area, occupying about 30.5 percent of the land area. Exempt properties, including government and religious uses, occupy about 22.2 percent of the area. Commercial uses comprise about 2.3 percent of the land uses, and there are no Industrial uses.

<b>Land Use</b>		
<u>Land Use</u>	<u>Acres</u>	<u>Percent</u>
Civic, Religious, Exempt	55.26	22.21%
Commercial	5.73	2.30%
Industrial	0.00	0.00%
Residential	75.93	30.51%
Vacant	35.98	14.46%
Street ROW	<u>75.96</u>	<u>30.52%</u>
<b>Total</b>	<b>248.86</b>	<b>100.00%</b>

### **Criteria for Community Redevelopment Area (CRA) Designation**

The State of Nebraska's Community Development Law sets forth several specific requirements that must be met for a City to designate a Community Redevelopment Area. The terms "Sub-standard" and "Blighted" are each defined separately in the law, and each has its own specific set



of requirements. A geographic area under consideration for CRA designation must meet the requirements of both definitions. Additionally, the term “blighted” is further broken down into two components; Part A and Part B. The study area must also meet the requirements of both parts A and B of the “blighted” definition to be eligible for designation as a CRA.

The following includes a description of each criterion, an explanation of why the subject area does or does not meet the criterion and a determination: a “Yes” or “No” response indicating whether the criterion is met.

### **Blighted; Part A**

The Nebraska Community Development Law definition of Blighted:

...which by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals or welfare in its present condition...

The physical characteristics observed in the study area demonstrate that the Part A definition of “blighted” described in Nebraska Community Development Law is applicable. The area is an older part of Omaha that was developed nearly 100 years ago. The street layout is not ideal, and the infrastructure needs improvement.

The Douglas County Assessor utilizes a hierarchy of building condition ratings to establish the assessed value of properties with improvements. The hierarchy of building condition categories, as listed from the best condition to the worst in descending order, are: “very good,” “good,” “average,” “fair,” “poor,” and “worn out.” Within the area recommended for CRA designation, only 32 of the 532 structures are designated as being in the “good” or “very good” condition categories. The overall condition of the residential buildings is about average, although 23.7% of the structures in the area, both commercial and residential combined, are in the below average categories of “fair,” “poor” and “worn out.”

Criterion met? Yes.

### **Blighted; Part B**

Several components are set forth in Part B of the Community Development Law to determine if an area meets the definition of the term “blighted.” These are quantifiable criteria. In this part, only one component need be considered affirmatively to meet the Part B portion of the “blighted” definition.

For four of five components, U. S. Census data provides the necessary information for determining whether the blight criteria is met. The Census Data used for this analysis relies primarily on Census Block Group data. The geographic area analyzed in this study involves two Census Block Groups located within Census Tract 25. The City examines the data at both the Census Tract level and the Block Group level as a way to cross reference data to help ensure accuracy, and as a means to ensure that data validity at the Census Block Group level is verified and not skewed by some anomaly.

The 2000 and 2010 Census data is used for the population counts, as required by Community Development Law. Data from the U.S. Census Bureau's five year American Community Survey (ACS) data is used for the other criteria as it provides the most current and relevant data for the economic criteria. In this case, the 2019 5-year ACS data is the most current, and has been used for the evaluation.

Each component of the Part B definition of blight is listed below along with an explanation of results and whether the three Block Groups involved in the study area meet the criterion.

**1) Unemployment in the designated area is at least one hundred twenty percent of the state or national average.**

According to the 2019 American Community Survey (ACS) published by the U.S. Census Bureau, the unemployment rate for the State of Nebraska is 3.34 percent. One hundred-twenty percent of the state rate therefore sets the threshold for this TIF criterion at 4.01 percent. The unemployment rate for the entirety of Census Tract 25 is 1.25 percent. The unemployment rate for Block Groups 2 and 3 of Census Tract 25 is 0.5 and 0.0 percent, respectively. None of the geographic areas examined meet the threshold for unemployment. It should be noted the margin of error at the Census Tract level is +/- 4.0 percent, and with smaller areas such as Block Groups the margin of error is even larger and therefore more significant.

Criterion met? No.

**2) The average age of the residential or commercial units in the area is at least forty years.**

According to the U.S. Census Bureau, the median age of residential structures in both Block Groups 2 and 3 of Census Tract 25 exceeds 81 years, as the Census data shows the majority of the homes in the area were built in 1939 or earlier. This readily exceeds the required threshold of 40 years.

Criterion met? Yes.

**3) More than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time.**

The majority of the lots in the study area have been developed with improvements.

Criterion met? No.



**4) The Per Capita Income (PCI) of the area is lower than the average per capita income of the city or village in which the area is designated.**

According to the 2019 U.S. Census American Community Survey, the PCI for Omaha is \$33,401. The PCI for the entirety of Census Tracts 25 is \$19,271, considerably less than the City overall. The PCI for Block Groups 2 and 3 of Census Tract 25 is \$29,529 and \$17,002. Thus all of the geographical areas examined have a PCI less than the overall Citywide PCI.

Criterion met? Yes.

**5) The area has had either stable or decreasing population based on the last two decennial census counts.**

State Community Development Law considers an area's population to be stable or decreasing when the population has a growth rate less than five (5) percent. The rationale is that areas with a rapidly growing population are developing quickly, and therefore can not be considered to be "blighted." According to the 2010 and the 2020 U.S. Census counts, the population of the entirety of Census Tract 25 grew by 4.9 percent, which meets the criteria for the study area to be eligible for CRA designation. The population of Block Group 2 of Census Tract 25 grew by 6.8 percent and the population of Block Group 3 grew just slightly (by .84 percent). The combined population for the area recommended for CRA designation (e.g. Block Groups 2 and 3) grew by just 3.6 percent from 2010 to 2020, which is well under the 5.0 percent growth threshold.

Criterion met? Yes.

Three of five of the components of Part B of the definition of blight are affirmative. These include the median year built, the low per capita income, and the relatively high unemployment.

Criterion Met? Yes.

**Substandard**

The following is the definition of the term "substandard," as adopted into Nebraska Community Development Law:

An area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare.

The criteria described in the definition of the term "substandard" is very similar to the criteria in the Part A definition of "blighted," to a considerable degree. Both definitions put an emphasis on the age and condition of buildings and the public infrastructure. Thus the observations in the

following paragraph are somewhat repetitious of the descriptions under the “Blighted, Part A” section of this study.

The characteristics observed in the overall study area exhibit sufficient age, wear and tear such that the definition of “substandard” set forth in Nebraska Community Development Law is applicable. In general terms, the buildings in the study area are much older than the 40 year threshold, and the windshield survey reveals that deferred maintenance and deterioration are clearly present. Overall, the building conditions are average and the area is not considered badly deteriorated based solely upon the conditions of the homes. But the infrastructure is also very old, however, and generally is in poorer condition than the privately owned buildings. The pavement widths are narrow, some areas are impacted by extreme topography, storm drainage systems are undersized or absent in many locations, and sidewalks are lacking along many public streets.

Criterion met? Yes.

### **Findings**

The Census demographic statistics exceed the threshold criteria of the Nebraska Community Development Law for CRA eligibility and the conditions of both the buildings and infrastructure in the study area are consistent with the state law definitions of “blighted” and “substandard” necessary for CRA designation.

### **Recommendation**

The Planning Department recommends approval of the requested CRA designation for the study area shown on Map A.

### **ATTACHMENT:**

Map A; Study Area with proposed CRA boundaries.



# MAP A

